

**CONSOLIDATED INSURANCE TRUST**  
**INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2006**

	July-06					Current FYTD		Prior Year FY06		3 Years Ended	5 Years Ended
	Allocation			Returns-Month		Returns		Returns		6/30/2006	6/30/2006
	Market Value	Actual	Policy(1)	Gross	Net	Gross	Net	Gross	Net	Net	Net
LARGE CAP DOMESTIC EQUITY											
Structured Growth											
Los Angeles Capital	18,439,940	1.4%	1.5%	-3.67%	-3.69%	-3.67%	-3.69%	11.36%	11.12%	N/A	N/A
Total Structured Growth	18,439,940	1.4%	1.5%	-3.67%	-3.69%	-3.67%	-3.69%	11.36%	11.12%	12.01%	-0.32%
Russell 1000 Growth				-1.90%	-1.90%	-1.90%	-1.90%	6.12%	6.12%	8.35%	-0.76%
Structured Value											
LSV	20,846,952	1.6%	1.5%	2.06%	2.03%	2.06%	2.03%	15.51%	15.05%	21.14%	12.22%
Russell 1000 Value				2.43%	2.43%	2.43%	2.43%	12.10%	12.10%	15.70%	6.89%
Russell 1000 Enhanced Index											
Los Angeles Capital	37,007,434	2.8%	3.0%	-1.06%	-1.08%	-1.06%	-1.08%	11.83%	11.58%	N/A	N/A
Russell 1000				0.22%	0.22%	0.22%	0.22%	9.08%	9.08%	N/A	N/A
S&P 500 Enhanced Index											
Westridge	44,294,591	3.4%	3.0%	0.67%	0.65%	0.67%	0.65%	9.07%	8.77%	N/A	N/A
S&P 500				0.62%	0.62%	0.62%	0.62%	8.63%	8.63%	N/A	N/A
Index											
State Street	13,725,105			0.86%	0.85%	0.86%	0.85%	9.60%	9.51%	11.47%	2.62%
Total Index	13,725,105	1.1%	1.0%	0.86%	0.85%	0.86%	0.85%	9.60%	9.51%	11.47%	2.62%
S&P 500				0.62%	0.62%	0.62%	0.62%	8.63%	8.63%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	134,314,022	10.3%	10.1%	-0.20%	-0.22%	-0.20%	-0.22%	11.24%	10.95%	13.63%	3.95%
S&P 500				0.62%	0.62%	0.62%	0.62%	8.63%	8.63%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY											
Manager-of-Managers											
SEI	40,681,494	3.1%	3.4%	-3.49%	-3.55%	-3.49%	-3.55%	14.39%	13.58%	18.20%	7.84%
Russell 2000 + 200bp				-3.09%	-3.09%	-3.09%	-3.09%	16.86%	16.86%	21.06%	10.38%
TOTAL SMALL CAP DOMESTIC EQUITY	40,681,494	3.1%	3.4%	-3.49%	-3.55%	-3.49%	-3.55%	14.39%	13.58%	18.20%	7.86%
Russell 2000				-3.25%	-3.25%	-3.25%	-3.25%	14.58%	14.58%	18.70%	8.50%
INTERNATIONAL EQUITY											
Large Cap - Active											
Capital Guardian	39,551,195	3.0%	3.1%	0.81%	0.77%	0.81%	0.77%	28.68%	28.07%	20.99%	6.90%
LSV	38,338,141	2.9%	3.1%	1.27%	1.24%	1.27%	1.24%	27.59%	27.09%	N/A	N/A
Total Large Cap - Active	77,889,336	6.0%	6.2%	1.04%	1.00%	1.04%	1.00%	28.21%	27.66%	21.92%	12.63%
MSCI EAFE - 50% Hedged				0.98%	0.98%	0.98%	0.98%	26.72%	26.72%	22.56%	6.89%
Small Cap - Value											
Lazard	9,274,632	0.7%	0.8%	-2.35%	-2.41%	-2.35%	-2.41%	24.57%	23.65%	28.06%	N/A
Citigroup Broad Market Index < \$2BN				-2.02%	-2.02%	-2.02%	-2.02%	29.28%	29.28%	32.40%	N/A
Small Cap - Growth											
Vanguard	9,478,698	0.7%	0.8%	-0.47%	-0.50%	-0.47%	-0.50%	29.77%	29.24%	32.39%	N/A
Citigroup Broad Market Index < \$2BN				-2.02%	-2.02%	-2.02%	-2.02%	29.28%	29.28%	32.40%	N/A
TOTAL INTERNATIONAL EQUITY	96,642,666	7.4%	7.8%	0.55%	0.51%	0.55%	0.51%	27.95%	27.35%	23.83%	8.67%
MSCI EAFE - 50% Hedged				0.98%	0.98%	0.98%	0.98%	26.72%	26.72%	22.56%	6.89%
DOMESTIC FIXED INCOME											
Core Bond											
Western Asset	222,252,246	17.1%	16.3%	1.67%	1.65%	1.67%	1.65%	-0.70%	-0.90%	7.36%	8.59%
Lehman Aggregate				1.35%	1.35%	1.35%	1.35%	-0.81%	-0.81%	2.05%	4.97%
Core Plus/Enhanced											
Clifton Group	50,763,636	3.9%	5.4%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Core Plus/Enhanced	50,763,636	3.9%	5.4%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lehman Aggregate				1.35%	1.35%						
Index											
Bank of ND	147,290,443	11.3%	10.9%	1.09%	1.08%	1.09%	1.08%	-1.08%	-1.14%	1.14%	4.90%
Total Index	147,290,443	11.3%	10.9%	1.09%	1.08%	1.09%	1.08%	-0.96%	-1.02%	1.09%	4.62%
Lehman Gov/Credit (3)				1.30%	1.30%	1.30%	1.30%	-1.52%	-1.52%	1.04%	4.78%
BBB Average Quality											
Wells Capital (formerly Strong)	221,520,028	17.0%	16.3%	1.53%	1.51%	1.53%	1.51%	-1.89%	-2.11%	2.63%	N/A
Lehman US Credit Baa				1.58%	1.58%	1.58%	1.58%	-2.37%	-2.37%	2.63%	N/A
TOTAL DOMESTIC FIXED INCOME	641,826,353	49.3%	48.9%	1.44%	1.43%	1.44%	1.43%	-1.19%	-1.35%	2.25%	5.52%
Lehman Aggregate (4)				1.35%	1.35%	1.35%	1.35%	-0.81%	-0.81%	1.84%	5.28%
TREASURY INFLATION PROTECTED SECURITIES (TIPS)											
Northern Trust Global Investments	136,043,225	10.5%	10.2%	1.60%	1.60%	1.60%	1.60%	-1.49%	-1.53%	N/A	N/A
Western	134,464,000	10.3%	10.2%	1.56%	1.56%	1.56%	1.56%	-1.94%	-1.94%	N/A	N/A
TOTAL TIPS	270,507,225	20.8%	20.5%	1.58%	1.58%	1.58%	1.58%	-1.72%	-1.74%	N/A	N/A
LB US TIPS Index				1.63%	1.63%	1.63%	1.63%	-1.64%	-1.64%	N/A	N/A
REAL ESTATE											
JP Morgan	74,762,387	5.7%	5.6%	0.00%	-0.10%	0.00%	-0.10%	N/A	N/A	N/A	N/A
NCREIF Total Index				1.32%	1.32%	1.32%	1.32%	18.23%	18.23%	N/A	N/A
CASH EQUIVALENTS											
Bank of ND	42,805,006	3.3%	4.0%	0.45%	0.45%	0.45%	0.45%	4.50%	4.50%	2.71%	2.42%
90 Day T-Bill				0.42%	0.42%	0.42%	0.42%	4.00%	4.00%	2.37%	2.25%
TOTAL INSURANCE TRUST	1,301,539,153	100.0%	100.2%	0.95%	0.93%	0.95%	0.93%	3.82%	3.61%	6.68%	5.32%
POLICY TARGET BENCHMARK				1.11%	1.11%	1.11%	1.11%	3.72%	3.72%	6.31%	5.45%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Because each fund within the Insurance Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy

(2) Prior to January 1, 2005, the benchmark was First Boston Convertible Index

(3) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit Index.